

the stocks which form the commodities of their particular markets: the brokers are members who, acting for the public, sell to or buy from the jobbers. The jobber is thus akin to the merchant who transacts business on his own account, while the broker's function is exclusively that of agency for another.

Dealing with the subject generally, the jobber will not possess a supply of the stock which he agrees to sell, nor wish to retain the supply of the stock which he is prepared to purchase. Like the merchant in material commodities, he does not keep a store of securities on hand: when he sells to the broker he will obtain by purchase from some other jobber or broker the quantity of stock of which he has thus disposed; and his skilled and intimate knowledge, and the seizure of the fitting opportunity, enable him so to fix the price quoted to the inquiring broker that the price he must himself afterwards pay to the other jobber or broker for the requisite supply shall be lower than the price he has quoted, and thus show a difference of profit. When again he purchases from a broker he afterwards arranges to sell the same amount of stock to another jobber or broker, and the price at which he buys is so determined that he may, on his subsequent selling, receive a higher price and thus realise a profit; for prices constantly vary, and at times, almost from moment to moment. Where, then, does the stock finally proceed as the sequence of this passage from hand to hand? Either into the possession of speculators or the public—the general hope and intention being that the outside public shall ultimately become the holders.

It is evident, as concerns the advantageous sales or purchases of the public, that the prices quoted by the jobber can never be exorbitant or detrimental to the ordinary investor, since competition for business by the jobbers, and the concurrent knowledge of the state of the particular market which the broker (protecting the interests of his client) possesses, retain the prices at their legitimate levels—legitimate in the sense of conforming to the prevailing rates and estimates. The varying prices at

which sales and' purchases of stocks are thus effected constitute at the time or times the " market prices."

The process of business may be briefly described. The